

Tax Exemption Offerings Form

GSA SmartPay® 2

www.gsa.gov/smartpay

GSA

I. STATE / JURISDICTION / U.S. TERRITORY INFORMATION

Please indicate the state / jurisdiction / U.S. territory for which you are reporting:

State / Jurisdiction / U.S. Territory: TEXAS

II. TAX EXEMPTION OFFERINGS

Please indicate which of the following tax exemptions your state / jurisdiction / U.S. territory provides to government customers with centrally billed accounts and/or individually billed accounts as described below. Please also use this section to provide a description of the applicable tax exemptions, pertinent statutes, regulations, court rulings, etc. that pertain to the type of tax exemption.

Centrally Billed Accounts (CBAs) are charge card accounts paid directly by the government to the issuing bank.

Individually Billed Accounts (IBAs) are charge card accounts paid directly by the cardholder to the issuing bank, but cardholders are reimbursed by the government, as official government expenses.

Tax Exemption Offerings (Please check all that apply)		Additional Information (Description, pertinent statutes, regulations, etc.)
Sales Tax	<input type="checkbox"/> Centrally Billed Accounts (CBAs)	<p>Purchases made by employees using the new "GSA SmartPay" credit cards will be exempt from Texas state and local sales and use taxes if:</p> <ul style="list-style-type: none">* the credit cards state on their face "UNITED STATES OF AMERICA "GSA SmartPay" FOR OFFICIAL USE ONLY - U.S. GOVT TAX EXEMPT";* the cardholders are authorized only to make purchases for official government purposes; and* the purchases are paid for directly by the U.S. Government. <p>Purchase Voucher from the government agency is sufficient for vendor's records. Otherwise, Texas Sales and Use Tax Certification (form 01-339/Back http://www.cpa.state.tx.us/taxinfo/taxforms/01-339.pdf) is required.</p> <p>Texas Tax Code, Sec. 151.309, Texas Administrative Code Rule 3.322.</p> <p>Note that a federal government employee may make a tax free purchase of prepared food or other similar personal items only if he or she is purchasing the food as an authorized agent of the federal government, and presents either a properly completed exemption certificate, a CBA GSA Smart Card or an official purchase voucher. A federal employee may not purchase a restaurant meal or other personal items tax free on his or her own behalf. There is no sales tax exemption for a federal employee solely because he or she is traveling on official business. (Rule 3.322 (f)(5) and (6)).</p>
	<input type="checkbox"/> Individually Billed Accounts (IBAs)	<p>Texas Sales and Use Tax Exemption Certification is required (form 01-339/Back http://www.cpa.state.tx.us/taxinfo/taxforms/01-339.pdf) is required.</p> <p>Texas Tax Code, Sec. 151.309, Texas Administrative Code Rule 3.322.</p> <p>Note that a federal government employee may make a tax free purchase of prepared food or other similar personal items only if he or she is purchasing the food as an authorized agent of the federal government, and presents either a properly completed exemption certificate, a CBA GSA Smart Card or an official purchase voucher. A federal employee may not</p>

		purchase a restaurant meal or other personal items tax free on his or her own behalf. There is no sales tax exemption for a federal employee solely because he or she is traveling on official business. (Rule 3.322 (f)(5) and (6)).
Lodging Tax	<input type="checkbox"/> Centrally Billed Accounts (CBAs)	See Hotel Occupancy Tax
	<input type="checkbox"/> Individually Billed Accounts (IBAs)	See Hotel Occupancy Tax
Hotel Occupancy Tax	<input type="checkbox"/> Centrally Billed Accounts (CBAs)	<p>Federal employees may issue a hotel tax exemption certificate (form 12-302) in the name of the federal agency when traveling on official business, in lieu of paying both the state and local portions of the hotel occupancy tax.</p> <p>When individuals or groups of individuals who are not employees of the organization travel on its behalf, in order to claim exemption from the hotel tax, the exempt organization must issue the exemption certificate and the payment must be made with the organization's funds.</p> <p>Additionally, hotels may require further verification of the exemption, such as a printout from the Comptroller's list of exempt entities (online search), showing the organization is exempt from hotel tax. This allows them to accept the exemption certificate in good faith.</p> <p>The URL address for the search is http://window.state.tx.us/taxinfo/exempt/exempt_search.html.</p> <p>Texas Tax Code, Sec. 156.103, Texas Administrative Rule 3.161.</p>
	<input type="checkbox"/> Individually Billed Accounts (IBAs)	<p>Federal employees may issue a hotel tax exemption certificate (form 12-302 http://window.state.tx.us/taxinfo/taxforms/12-302.pdf) in the name of the federal agency when traveling on official business, in lieu of paying both the state and local portions of the hotel occupancy tax.</p> <p>When individuals or groups of individuals who are not employees of the organization travel on its behalf, in order to claim exemption from the hotel tax, the exempt organization must issue the exemption certificate and the payment must be made with the organization's funds.</p> <p>Additionally, hotels may require further verification of the exemption, such as a printout from the Comptroller's list of exempt entities (online search.)</p> <p>This allows them to accept the exemption certificate in good faith.</p> <p>The URL address for the search is http://window.state.tx.us/taxinfo/exempt/exempt_search.html.</p> <p>Texas Tax Code, Sec. 156.103, Texas Administrative Rule</p>

		3.161.
Public Accommodation Tax	<input type="checkbox"/> Centrally Billed Accounts (CBAs) <input type="checkbox"/> Individually Billed Accounts (IBAs)	
Tourism Tax	<input type="checkbox"/> Centrally Billed Accounts (CBAs) <input type="checkbox"/> Individually Billed Accounts (IBAs)	
Fleet Tax	<input type="checkbox"/> Gasoline <input type="checkbox"/> Diesel Fuel <input type="checkbox"/> Alternative Fuel <input type="checkbox"/> Maintenance	
Other Tax	<input type="checkbox"/> Other: please specify _____ <input type="checkbox"/> CBA <input type="checkbox"/> IBA	<p>Federal employees may issue a valid exemption certificate (form 14/305/Back M) for the motor vehicle tax imposed on the rental of a motor vehicle in Texas when on official business for the federal agency.</p> <p>Texas Tax Code, Sec. 152.084, Texas Administrative Code</p>

III. TAX EXEMPTION FORMS

As indicated in GSA's letter, we request that the GSA SmartPay® 2 cards' design and structure suffice for tax exemption certification. If this is not possible, please indicate if your state / jurisdiction / U.S. territory requires government customers to complete any documentation in order to receive a tax exemption. Also, please indicate the website address for accessing any required forms; you may also provide the form via an email attachment.

Texas Sales and Use Tax Certification (form 01-339/Back)	http://www.cpa.state.tx.us/taxinfo/taxforms/01-339.pdf
Texas Hotel Tax Exemption Certificate (form 12-302)	http://window.state.tx.us/taxinfo/taxforms/12-302.pdf
Motor Vehicle Rental Exemption Certificate	<p>http://window.state.tx.us/taxinfo/taxforms/14-305back.pdf</p> <p>Federal employees are exempt from Texas Motor Vehicle Rental Tax when conducting official government business. Identification and travel orders must be presented to verify the employee is conducting government business.</p> <p>An exemption certificate is available online at the URL listed above. This certificate is provided by the renting agent and should be completed and signed by the employee claiming exemption. The completed certificate is attached to the Rental Contract to document the exemption.</p>

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IV. TAX RECOVERY PROCEDURES

Please indicate the procedures that government customers should follow in the event that taxes are charged to official government transactions in error.

Tax Recovery Procedures:

Complete guidelines for obtaining a refund of Texas taxes paid in error are available online at: http://window.state.tx.us/taxinfo/refunds/refunds_sales.html and in publication 94-156, "How to Get a Refund or Credit for Taxes Paid in Error" which is available online at: http://window.state.tx.us/taxinfo/taxpubs/tx94_156.html

V. CONTACT INFORMATION

Please indicate the point-of-contact for follow-up questions related to your tax exemption policies.

Last Name, First Name:	
Name of Agency:	Texas Comptroller of Public Accounts
Office Address (Line 1):	P. O. Box 13528
Office Address (Line 2):	
City, State Zip:	Austin, Texas 78711-3528
Phone Number:	Sales and Use Tax 1-800-252-5555 Hotel Occupancy Tax 1-800-252-1385
Fax Number:	(512) 475-1598
Email Address:	tax.help@cpa.state.tx.us

Thank you for your assistance in this important matter!

GSA SmartPay® 2 Card Numbering Systems

GSA SmartPay® 2 cards will be **effective on November 30, 2008** (except in a few cases, which will be effective earlier), and will have specific account number prefixes, as seen in the chart below. GSA SmartPay® 2 cards are provided by three banks: Citibank, JPMorgan Chase, and US Bank. The GSA SmartPay® program provides four business lines: Purchase, Travel, Fleet, and Integrated (includes fleet, travel and/or purchase functionality and offers a single card for all purchases). These cards/accounts can be Centrally Billed Accounts (CBAs) or Individually Billed Accounts (IBAs). Below is a detailed description of each card type and numbering system that GSA Smartpay® 2 provides.

Centrally Billed Accounts (CBAs) are charge card accounts in which **all** charges are billed directly to the federal government and paid directly by the federal government to the issuing bank.

- **Purchase:** All federal government Purchase cards are centrally billed.
- **Fleet:** All federal government Fleet cards are centrally billed.
- **Travel:** Federal government Travel cards/accounts may be centrally billed **or** individually billed.
- **Integrated:**
 - All Fleet and Purchase type transactions on an integrated card are centrally billed.
 - Travel functionality on an integrated card may be centrally billed **or** individually billed.

Individually Billed Accounts (IBAs) are charge card accounts in which charges are paid directly by the cardholder/federal employee to the issuing bank; the federal employee is then reimbursed by the government.

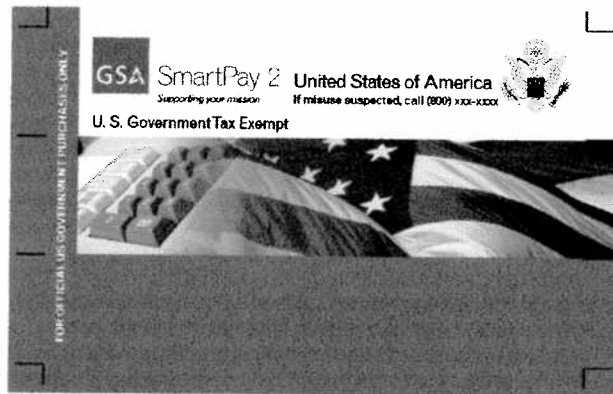
- **Travel:** Federal government Travel cards may be centrally billed **or** individually billed.
- **Integrated:** Travel functionality on an Integrated card may be centrally billed **or** individually billed.

	Purchase	Travel		Fleet	Debit/Prepaid
Prefix (1 st four digits)	5568 – MasterCard	5568 – MasterCard		5565 – MasterCard	5564 – MasterCard
	5565 – MasterCard	5565 – MasterCard		5568 – MasterCard	5568 – MasterCard
	4716 – Visa	4486 – Visa		8699 – Voyager	5565 – MasterCard
	4614 – Visa	4614 – Visa			4614 – Visa
	4486 – Visa				
6 th digit	N/A	0	CBA	N/A	N/A
		1	IBA		
		2 – 4	IBA		
		5	Reserved		
		6 – 9	CBA		

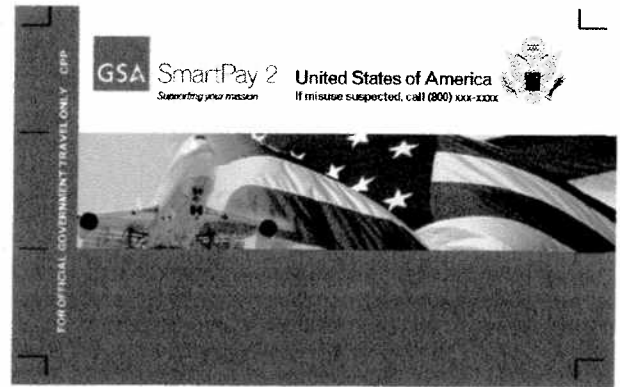
In addition to the chart provided above, please note the following information:

- **Only the Travel card** uses the 6th digit to identify whether the account is a Centrally Billed Account (CBA) or an Individually Billed Account (IBA).
- **The numbering structure for Integrated Cards** to differentiate between centrally and/or individually billed transactions will be specific to each agency/organization using the Integrated card. This information will be provided on the GSA SmartPay® website (www.gsa.gov/gsasmartpay) as it becomes available.

GSA SmartPay® 2 Card Designs



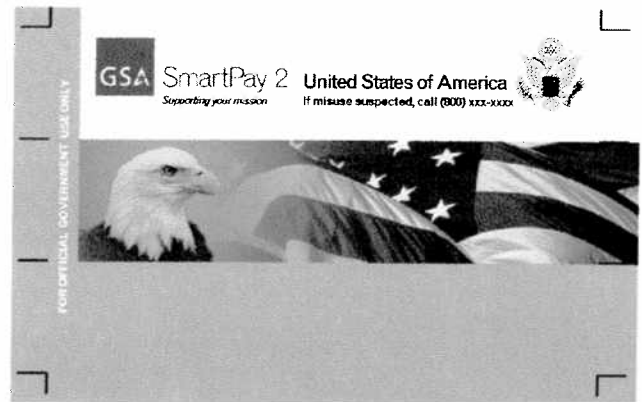
Purchase



Travel



Fleet



Integrated